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Official announcement of Upper House election today

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JCP urges voters to help it prevent LDP and New Komeito from running amok

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, July 11

NIKKEI (Page 2) (Full)
July 12, 2007

09:27

Met with incoming and outgoing Japan Coast Guard directors-general Iwasaki and Ishikawa.

10:10

Inspected the pension information desk set up at the Tokyo Chamber of Commerce and Industry (TCCI) in Marunouchi, joined by TCCI Chair Nobuo Yamaguchi and others.

10:36

Met with incoming and outgoing vice finance ministers for

international affairs Tsuda and Fujii.

12:09

Arrived at LDP headquarters.

13:01

Attended a debate among the chiefs of seven political parties hosted by the Japan National Press Club.

15:49

Met with LDP Deputy Secretary-General Motegi at LDP headquarters.

16:59

Met with LDP Secretary General Nakagawa.

17:55

Again met with Nakagawa.

20:03 Arrived at Kantei residence.

4) Koike tells US envoy of her wishes to meet with Gates early

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MAINICHI (Page 2) (Full)

July 12, 2007

Defense Minister Yuri Koike held talks with US Ambassador to Japan Thomas Schieffer at the ministry yesterday. In the session, Koike conveyed to the US envoy her wishes to meet with US Defense Secretary Robert Gates at an early date after the House of

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Councillors election. In response, Schieffer indicated that he would make arrangements with pleasure.

Koike, touching on the selection of the Air Self-Defense Force's next-generation mainstay combat aircraft, also asked for the United States' cooperation in the form of provision of information, apparently with the state-of-the-art F-22A Raptor stealth fighter in mind. In response, Schieffer simply said: "You should think about it from a viewpoint of what is essential for the security and peace of Japan rather than of what aircraft is necessary at the micro level."

5) Koike announces another extension of anti-terror law

NIKKEI (Page 2) (Full)

July 12, 2007

Defense Minister Yuri Koike yesterday told the press, including the Nihon Keizai Shimbun, that she would reextend the Antiterrorism Special Measures Law, which is to expire Nov. 1 this year. "Japan needs to continue its appropriate activities, and that's what the international community wants," Koike said. The Maritime Self-Defense Force is currently tasked with refueling multinational forces' vessels in the Indian Ocean, and the government intends to continue the MSDF's fuel supply there. The law is expected to be reextended for one year.

Meanwhile, the United States has informally asked Japan to dispatch Ground Self-Defense Force helicopters to Afghanistan. In this regard, Koike ruled out the possibility of dispatching GSDF helicopters to that country, saying the government has no plans to do so. In Afghanistan, a provisional reconstruction team (PRT) of the North Atlantic Treaty Organization (NATO) is now operating. Asked about this, she took a cautious stance, saying, "There are many legal problems, so it's difficult at this point of time."

Concerning the recently exposed leakage of data about MSDF Aegis vessels, Koike stressed: "Information security is a tool to defend the nation—that is more important than procuring equipment." With this, she stressed her resolve to grapple with information security and prevent data leakage as a top-priority issue.

6) Koike to seek local understanding of Japan-US agreement on

Futenma

MAINICHI (Page 2) (Full)
July 12, 2007

Defense Minister Yuri Koike gave an interview yesterday to the Mainichi Shimbun and other news companies. The following is a gist of the interview:

-- Okinawa is calling for making changes to the Japan-US agreement on the relocation of Futenma Air Station. Is it possible to comply

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with their request?

Koike: I would earnestly like to lend an ear to the local voices. I believe the (government's) plan is ideal because it has analyzed factors from various viewpoints. I will work hard to deepen their understanding of (the bilateral agreement).

-- What kind of security measures are you going to take against the North Korean threat?

Koike: I will push ahead with ballistic missile defense (BMD) based on the Japan-US alliance.

-- What is your view on establishing a permanent law allowing the government to dispatch Self-Defense Forces troops overseas as necessary?

Koike: Legal challenges are being analyzed and studied by the Cabinet Secretariat. It's too early to comment on it.

-- The Antiterrorism Special Measures Law will expire in November.

Koike: Discontinuing (the Maritime Self-Defense Force's refueling activities) at this point is not an option.

-- Do you plan to seek the Liberal Democratic Party presidency in the future?

Koike: No, I will not. I must fulfill my duties and responsibilities, and that's what I am going to do for now.

7) A/S Hill mentions possibility of holding four-way talks among US, China, DPRK, ROK within the year

NIKKEI (Page 8) (Full)
July 12, 2007

Hiroshi Maruya, Washington

US Assistant Secretary of State Christopher Hill met with the Japanese press corps yesterday and referred to the possibility of holding by the end of the year four-party talks among the United States, China, North Korea, and South Korea to discuss how to build a peace mechanism for the Korean Peninsula, separate from a new security framework for Northeast Asia. This move reflects Washington's judgment that something that can keep North Korea committed to the six-party talks to discuss the North Korean nuclear issue is essential in order to have the North abandon its nuclear programs by the end of 2008, given the Bush administration's remaining one-and-a-half-year term of office.

A security framework for Northeast Asia and a peace mechanism for the Korean Peninsula were the focus of discussions between Hill and North Korean officials during his visit to Pyongyang last month. The creation of a peace mechanism for the Korean Peninsula, where there is currently only a cease-fire, is the top priority issue for the North Koreans seeking to normalize relations with the US.

Given this, Hill has linked talks on a peace mechanism to the "next steps," which are likely to urge the North to disable its nuclear facilities following the "first steps" of shutting down and sealing them. "Practically, it would be possible for us to start such talks

by the end of this year in parallel with the work of disabling the nuclear facilities," Hill said and indicated that unless the North moves on to the stage of disabling its nuclear facilities, no talks on a peace mechanism would be held.

Also, speaking of who will participate in the talks on a peace mechanism, Hill pronounced that they would be the US, China, North Korea, and South Korea, telling reporters: "The February six-party agreement says 'direct parties concerned,' which, however, is not a clear definition. The talks would be meaningless without South Korea's participation." Hill thus made clear that he would use his plan to hold by the end of the year four-party talks that will exclude Japan to facilitate progress on the nuclear issue.

He intends to set a timetable for the next steps at a session of the chief delegates to the six-party talks, which will be held on July 18 if final coordination for that session goes smoothly, and to discuss details of the next steps at a working group session. The question of security in Northeast Asia would be discussed at the six-party foreign ministerial expected to take place ahead of the Asia-Economic Cooperation (APEC) forum, and with the North's nuclear facilities being disabled, four-way talks would be held by the end of the year. By the end of 2008, the North would abandon its nuclear weapons.

This is the blueprint charted by the US, but there is no guarantee that things will go as the US expects. Washington attaches importance to multilateral talks, such as talks on security for Northeast Asia and four-party talks, but there is a strong possibility that North Korea will emphasize bilateral talks with the US.

The US also needs to consider its relations with Japan, given that the US expects Japan to play a leading part in energy assistance to North Korea, which would be included in the next steps. Hill therefore stressed he would work to get the working group on Japan-DPRK relations to make progress in order to resolve the abduction issue.

In the Japanese government, however, some are beginning to question America's North Korea policy, as Washington has come out with one reconciliatory measure after another and is moving toward holding dialogue with North Korea. What will happen to the nuclear issue next year remains to be seen.

8) A/S Hill stresses need for a new framework to discuss security for Northeast Asia

NIKKEI (Page 1) (Full)
July 12, 2007

Hiroshi Maruya, Washington

US Assistant Secretary of State Christopher Hill, America's chief delegate to the six-party talks on the North Korean nuclear issue, yesterday met with the Japanese press. When asked about a dialogue on security for East Asia as included in the February six-party agreement, Hill noted, "I think a multilateral and open forum will be desirable," and stated it would be necessary to create a new framework without being shackled by the six-party framework. Hill also predicted that a six-party foreign ministerial would be held prior to the Asia-Pacific Economic Cooperation (APEC) forum slated

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for early September, and that the foreign ministerial would discuss a new framework to discuss security.

Final coordination is underway to hold a session of the chief delegates to the six-party talks on July 18. Referring to this planned session, Hill said, "It will last for a couple of days, with the focus of talks being on a future timetable," and stressed that he would prioritize setting a timetable covering the rest of the year to realize nuclear abandonment. He also mentioned that the

session would deal with how a dialogue on security for Northeast Asia should be held and gave this account: "There is a view that a security dialogue should include only the members of the six-party talks, and some are suggesting the need to let other countries join it."

Hill said that a new framework "should be on the agenda for the forthcoming six-party foreign ministerial" and indicated that he would in advance coordinate views via a session of the chief delegates or on other occasions.

As to when to hold a (six-party) foreign ministerial, which was expected in early August, Hill said, "We want to hold it before the APEC forum" and indicated an intention to aim to get it to occur before the (APEC) ministerial session slated for September in Sydney.

9) Six-party talks: View allowing discussion of nuclear issue first gaining ground: Government officials worried about progress on abduction issue

ASAHI (Page 4) (Slightly abridged)
July 12, 2007

In connection with Japan's North Korea policy, the argument gaining favor in the government is to give priority to discussing the nuclear development program issue instead of the abduction issue at the six-party talks. The idea is to bring about progress to Japan-North Korea dialogue by falling in step with related countries regarding the initial steps to be taken by North Korea toward the scrapping of its nuclear arms. With the official announcement of the Upper House election just ahead, Prime Minister has emphasized in election campaigning that he would tackle the abduction issue with an iron will. Foreign ministry officials, however, are distressed to find themselves in between such rhetoric and the reality.

Following the US' sudden approach to North Korea, a change was observed in the statement of a foreign ministry official, who said, "We will proceed with the North Korea issue with a three-stage approach of South-North talks, US-North Korea talks and Japan-North Korea talks." The idea is that now that Japan-North Korea dialogue has failed, the option of cashing in on the South-North and US-North Korea talks might bring momentum to Japan's own talks with the North.

Six abductees returned home during the previous Koizumi administration, but the abduction issue has made little progress under the Abe administration. According to a government source, Abe's way of doing things is to stick to his previous logic, no matter what the situation is. However, foreign ministry officials take the view that the prime minister must think in terms of national interests amid the current reality, instead of just arguing the pros and cons of the issues, as one senior official put it.

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Facing such a policy stalemate, government officials since the beginning of the year have begun to use the word "progress" to denote a halfway stage in the process of settling the abduction issue. The government earlier decided to open the way to participate in the energy aid program, even if the abduction issue was not yet completely settled. It has now come up with the argument that progress toward denuclearization would lead progress in the abduction issue.

Assistant Secretary of State Hill, when he visited Japan in June, chimed in: "Progress toward denuclearization will become a base for talks to bring progress to the abduction issue." According to an informed source, when Hill visited North Korea, he told Vice Foreign Minister Kim Gye Gwan, "Improving relations with Japan would be beneficial to North Korea, as well."

However, the government is steering clear of making any clear comment on the specific meaning of progress, with Chief Cabinet Secretary Shiozaki simply saying, "It means that North Korea admits

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that the abduction issue has not yet been settled and backs up this stance with action." Kim reportedly indicated a similar view to Hill, noting, "It is not yet time for Japan to hold talks with North Korea," according to a certain senior foreign ministry official.

One government source said, "We must make a decision regarding whether we should take part in the aid program or not in the fall." He made this comment because of the prospect that the six-party talks will cover 950,000 tons of crude oil in aid, as progress in talks on post-initial-steps is likely.

10) Senator Inoue submits statement against comfort-women resolution" adopted by House

SANKEI (Page 2) (Full)
July 12, 2007

Takashi Arimoto, Washington

Senator Daniel Inouye (Hawaii), a Democratic Party member, submitted to the Senate on July 10 a statement opposing the resolution adopted by the House of Representatives criticizing Japan on the wartime comfort-women issue. The resolution is expected to be approved by the full House soon. Observers see the statement is intended to prompt House members to reconsider the resolution and prevent its effect from leaping to the Senate.

The statement, dated July 9, noted: "I wonder it would be appropriate for Americans, who are friends and allies of Japanese, to take such an action." Although Inouye did not read the statement himself in a plenary session of the Senate, it was entered on the minutes.

Although Inouye denounced the acts committed by the Japanese Imperial Armed Force toward comfort women as, "They can never be justified," he stressed the fact that six Japanese prime ministers had issued statements of apology. Inouye also cited the following remark Prime Minister Shinzo Abe made when he visited the US in April: "I as prime minister feel deeply sorry that they were forced to be placed in such extremely painful situations." The resolution calls for an official apology by the Japanese prime minister, but Senator Inouye said: "These statements should be enough as official

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statements in the diplomatic world."

Inouye had also sent a letter in March to Foreign Affairs Committee Chairman Tom Lantos (Democrat) asking the committee not to adopt the resolution, stressing: "It (the resolution) is not only unnecessary but might adversely affect relations between the US and Japan."

The committee overwhelmingly passed the resolution on June 26 by 39-2 after wording in the original was changed. House Speaker Nancy Pelosi has indicated her support of the resolution. It is likely to be adopted by later July. But the resolution has not been presented to the Senate.

11) Former NSC senior Asia director Green indicates possible fissure between Japan, US over history issues

AKAHATA (Page 2) (Full)
July 12, 2007

Jiji, New York

In a speech at a Jiji seminar yesterday, Mike Green, former senior director for Asian affairs at the National Security Council (NSC), said that some leftist Democrats in the United States, keeping in mind Prime Minister Shinzo Abe's denial of the wartime military's coercive recruitment of comfort women by military personnel, have expressed concern that since the Abe administration is nationalist, a further strengthening of the Japan-US security arrangements would drive the US into isolation in Asia. He went on to say that if a Democrat is elected president next year, there might be some changes in Washington's foreign policy.

Green also said that the full House is likely to approve before the summer holiday the comfort-women resolution adopted by the US House Committee on Foreign Affairs calling for Japan's official apology. He then emphasized: "Japan's wartime history could undermine the relationship between Japan and the US. We should not take the Japan-US security arrangements for granted. The governments of the two countries must display leadership and strengthen the bilateral security arrangements."

12) Shiozaki rejects Okinawa's request for reinserting mass suicides in textbooks

TOKYO SHIMBUN (Page 2) (Full)
July 12, 2007

The Okinawa prefectural assembly yesterday adopted a second statement urging the central government to retract its instruction to history textbook publishers to eliminate descriptions of the military's role in mass suicides in the island prefecture in the closing days of the Battle of Okinawa. In this connection, Chief Cabinet Secretary Yasuhisa Shiozaki in a press conference yesterday afternoon indicated that the government has no intention of complying with Okinawa's request. Shiozaki emphasized the government's intention to uphold its view on history textbooks, saying: "It has nothing to do with government-designated textbooks. The matter occurred in the process of screening textbooks."

13) 88 % of candidates who respond to survey oppose amending Article 9

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TOKYO (Page 30) (Full)
July 12, 2007

In campaigning for the forthcoming House of Councillors election to be announced today, the issue of constitutional revision will be a major point of contention. A group of citizens to protect the Constitution conducted a questionnaire survey of prospective candidates across the nation on whether they are for or against amending Constitution Article 9 and exercising the right of collective self-defense. The group released its results yesterday.

The group, named the "Executive Committee to Survey on Article 9 of the Constitution of Japan for the 2007 House of Councillors Election," sent a questionnaire form to 354 persons who have announced their candidacies by the end of June for electoral districts or proportional representation blocs. There were answers from 154 persons (43.5 %). The question was: "Do you support amending Article 9 of the Constitution of Japan to acknowledge the Self-Defense Forces as Japan's armed forces and allow Japan to exercise the right of collective self-defense?" To this question, respondents were asked to answer "yes," "no," or "can't say which."

There were answers from 6 persons from the Liberal Democratic Party, 2 from New Komeito, 32 from the Democratic Party of Japan (Minshuto), 49 from the Japanese Communist Party, 20 from the Social Democratic Party (Shaminto), 7 from the People's New Party (Kokumin Shinto), 2 from the New Party Nippon (Shinto Nippon), and 36 from minor parties or independents. As a result, "no" came from 136 persons (88.3 %), with "yes" from 9 persons (5.8 %) and "can't say which" from 7 persons (4.5 %). There were other answers from two persons.

In the case of those expected to run from the JCP and the SDP, which are both opposed to constitutional revision, all of their respondents answered "no."

There were answers from only six persons among those with the LDP, which is focusing on its advocacy of revising the Constitution as one of its campaign issues. "Yes" came from four of these six persons. "They probably think they will lose votes if they make clear their attitude on the issue of revising the Constitution," one of the executive committee's members says. There were answers from 32 persons with the DPJ, and 28 of them answered "no."

The Executive Committee consists of groups and individuals, including a Tokyo-based group opposing Japan's dispatch of the Self-Defense Forces to Iraq and a group seeking to establish the right to live in peace. Yozo Ouchi, one of the committee's members, said: "The survey results show that many politicians are aware of public opinion that seeks to protect Article 9. There were no answers from the LDP, but I think that's the kind of answer in itself."

14) Prime minister tones down "constitutional revision," probably out of consideration to New Komeito

YOMIURI (Page 4) (Full)
July 12, 2007

In an open debate sponsored by the Japan Press Club yesterday, Prime Minister Abe spoke of constitutional revision: "I do not think all proposals of the Liberal Democratic Party will be adopted. It is

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necessary to conduct full discussion with the public first." He apparently toned down his assertion that constitutional revision should be at the center of the House of Councillors election campaign.

The prime minister had emphasized: "The LDP's policy platform also proposes amending the Constitutional. It is natural for us to focus on the issue in the election campaign;" and "It is a sincere posture to spell out to the people our draft (of amendments to the Constitution) and suggest that the issue be on the table."

In the party-heads debate yesterday, however, the prime minister made cautious remarks about the constitutional issue, for instance, "Under the National Referendum Law, the full text will not be changed at one time. In determining which parts (in the Constitution) should be prioritized, we must keep in mind the importance of forming a political consensus."

The New Komeito has indicated a negative view about taking up constitutional revision as a major campaign issue. The prime minister's toned down remarks about the issue might have come in giving consideration to its coalition partner, at a time when the LDP is suffering setbacks due to the pension and other issues.

15) Leaders of seven parties discuss pension issue ahead of Upper House election

ASAHI (Top Play) (Excerpts)
July 12, 2007

The Japan National Press Club hosted yesterday a panel discussion attended by the leaders of seven major political parties ahead of the official announcement of the July 29 House of Councillors election. The major topic of discussion was the pension issue. The seven leaders debated not only measures to cope with the pension-record mess, but pension systems themselves. Minshuto (Democratic Party of Japan) Ichiro Ozawa criticized the present pension system, revealing his party's plan to lower the minimum benefit amount to the annual salary of about six million yen. Debate on the pension system will likely intensify during the campaign.

In reference to the pension-record fiasco, Prime Minister Shinzo Abe, president of the ruling Liberal Democratic Party (LDP), proudly stated:

"We have taken every possible policy measures in dealing with the issue. The ruling and opposition camps should cooperate rather than face off against each other and make an all-out effort (to resolve the issue). So we have accepted good plans proposed by Minshuto and the Japanese Communist Party."

Akihiro Ota, leader of the New Komeito, the LDP's coalition partner, stressed: "We will do our best so that all policyholders will get the full amount of benefits."

The government and ruling parties plan to complete the verification of "unidentified pension records" by next March and inform all the insured of their pension records until October. The main opposition party Minshuto, however, has criticized them, saying, "It would take a lot of time before the government will pay due amounts to all policyholders." During the panel discussion, Ozawa urged Abe: "Since the public is now concerned about it, the government should

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immediately notify them."

The ruling camp has advocated the maintaining of the present pension programs. In the debate, Ozawa, however, criticized this, saying, "I think the government's calculation is far from reality." In response, Abe rebutted: "During the nine months since I assumed office, we are operating 4 trillion yen in the plus. That will lead to benefits. According to the current calculation, we can promise that the income replacement ratio will become 51 %."

Minshuto has, meantime, proposed unifying pension systems, allocating five % of the consumption tax revenues to the guaranteed minimum benefits of the basic part. According to Minshuto's plan, there would be nobody deprived of benefits, and people in the low income bracket would be guaranteed to get the certain amount of benefit. Asked by Ota about the ceiling of income amount, Ozawa responded: "An annual income of more than 12 million." He then explained that the full benefits would be paid to those whose annual income is around six million yen and some benefits would be paid to those who get an annual salary of up to 12 million.

16) DPJ head Ozawa dispatches secretaries to Rengo branch offices: Friendly appearance, but is keeping watch the real aim?

SANKEI (Page 4) (Full)
July 12, 2007

The friendly relations between Democratic Party of Japan (DPJ or Minshuto) head Ozawa and the Japanese Trade Union Confederation (Rengo, chaired by Tsuyoshi Takagi), the DPJ's power base, is about to reach a peak with the Upper House election just ahead. Ozawa is receiving reports on election information from the DPJ's prefectural chapters. He has also dispatched his own secretaries to Rengo branch offices, mainly to single-seat constituencies, which will likely determine the Upper House election. He has also built his own election information network. He is thus increasingly strengthening relations with Rengo.

Ozawa during a policy agreement signing ceremony held at DPJ headquarters on July 9 told Takagi: "Thank you for signing the agreement. I appreciate your cooperation greatly." Takagi responded, "We will do everything we can." The agreement mentioned that the DPJ and Rengo will make all-out efforts to gain control in the Upper House for the opposition in the upcoming Upper House election in order to reform the pension system and correct income disparities.

The DPJ has signed a policy agreement with Rengo each time national elections took place. Last October, they signed their first joint statement, which included a policy concept titled, "Sharing the same ideals." Commenting on the signing of the agreement this time, one senior Rengo official noted: "We have exchanged opinions with the DPJ in a detailed manner. We feel we are one to such a degree that it is not necessary for us to purposely sign a policy agreement for the Upper House election." The relations between the DPJ and Rengo have significantly improved, compared with the time when Seiji Maehara, who kept Rengo at arm's length, was party head.

According to an informed source, Ozawa has visited almost all single-seat constituencies along with senior Rengo officials, including Takagi, since this spring and met senior officials of Rengo branches. He dined with them and even enjoyed karaoke.

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Since then, Ozawa has dispatched his own aides, such as secretaries,

to constituencies, mainly single-seat constituencies, and had them analyze the election situation, collect information, and ask for support through the networks he has created.

One senior trade union official said: "This is the first time for any DPJ head to dispatch his secretaries so frequently. We feel Ozawa's firm determination." However, given the fact that candidates fielded by Rengo in the 2004 Upper House election garnered only 1.73 million votes for proportional representation, which is less than 30 % of the number of labor union members at the time, Ozawa's moves appear to be aimed at keeping watch on Rengo's moves as well.

SCHIEFFER